GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

STARRED QUESTION NO:293
ANSWERED ON:22.03.2002
REVIVAL OF SICK SUGAR MILLS
MADAN PRASAD JAISWAL;SHIVAJI MANE

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether any proposals relating to revival of sick cooperative sugar mills have been received by the Government;

(b) if so, the details thereof;

(c) the number of cooperative sick sugar mills proposed to be revived;

(d) the financial assistance likely to be provided by the Union Government to such sick mills;

(e) whether any proposal for revival of sick cooperative sugar mill is still pending with the Union Government; and

(f) if so, the details thereof alongwith the reasons for delay in clearing such proposals?

Answer

THE MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHANTA KUMAR)

(a),(b),(c),(d),(e)&(f): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a),(b),(c),(d),(e)&(f) OF STARRED QUESTION NO.293 FOR ANSWER ON 22-03-2002 IN THE LOK SABHA.

(a)&(b): Proposals in the form of Project Reports for revival of seven cooperative sugar mills indicating the reasons for sickness and the relief sought from the Central Government/ State Government/Financial Institutions have been received. These proposals have, however, not been appraised by any Financial Institution.

(c),(d),(e)&(f): The Government has constituted a Committee under the Chairmanship ofSecretary, Department of Food & Public Distribution, to examine the revival package of potentially viable co-operative units or merger of non-viable units with adjoining units of sick sugar mills on receipt of reference from the State Governments/U.T. Administrations. The said Committee has formed a Sub-Committee to assist it. The Sub-Committee has examined the Project Reports for the revival of the seven cooperative sugar mills mentioned above. The Sub-Committee has recommended, inter alia, that loans upto 60% of the project cost may be provided from the Sugar Development Fund at 6% interest and that the period of moratorium as well as the period of repayment should be longer than those applicable to loans for modernization/technology upgradation. The Government is considering to suitably amend the Sugar Development Fund Rules, 1983.